Decline in khadi production

†304. SHRI RUDRA NARAYAN PANY: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that there has been a decline in the production of Khadi;

(b) if so, the reasons therefor; and

(c) the steps being taken to check the decline in the production of Khadi?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(b) On account of inadequate attention by Khadi institutions/producers to production and sales planning, particularly products quality and marketability and their worsening working capital position due to high unsold stocks and delay in payment or non-payment of admissible rebates to them by the State, Governments, there has been a decline in the production of Khadi, as detailed below:

SI. No.	Year	Production value (Rs. crore)
1.	1998-99	635.89
2.	1999-00	551.94
3.	2000-01	431.57
4.	2001-02	416.69

During 2002-03 and 2003-04, however, the value of Khadi production has increased slightly to Rs. 443.07 crore and Rs. 453.50 crore respectively.

(c) To check the decline in production of Khadi the following steps have been taken:

(i) provision of institutional credit at the concessional rate of interest of 4 per cent per annum is given as per the requirement of the institutions registered with the Khadi and Village Industries Commission (KVIC)/State Khadi and Village Industries Boards (KVIBs) under the Interest Subsidy Eligibility Certificate (ISEC) Scheme.

† Original notice of the question was received in Hindi.

(ii) Payment of rebate on sales of Khadi;

(iii) improved design of Khadi garments under Product Development, design Intervention and packaging (PRODIP) Scheme;

(iv) assisting Khadi institutions to participate in exhibitions at the national and sub national levels; and

(v) establishment of Confederation for Promotion of Khadi and Village Industries (CPKVI) to assist in marketing of KVI products in India and abroad.

Loans given under KVIC

†305. SHRIMATI SUSHMA SWARAJ: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the total amount of loan given to the entrepreneurs under the Khadi and Village Industry during the last three years;

(b) the number of women entrepreneurs out of them who have been given loans; and

(c) whether Government propose to reserve some of the items to be manufactured by women only?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD): (a) KVIC does not provide loans to entrepreneurs, but extends margin money assistance to enrepreneurs to set up village industries units under the Rural Employment Generation Programme (REGP) of the Centra! Government. Under REGP, banks provide loans to entrepreneurs in combination with margin money grant assistance from KVIC. The details of bank credit extended by the financial institutions and margin money grant assistance provided by KVIC under the REGP during the last three years are given below:

(Rs. in Crore)

Year	Estimated bank loan	Margin money
2001-02	475.63	190.25
2002-03	484.28	193.71
2003-04	664.35	265.74

† Onginal notice of the question was received in Hindi.